

MINUTES OF THE BOARD OF EDUCATION MEETING

January 10, 2008

Montana State Capitol, Helena, Montana

The January 10, 2008 meeting of the Montana Board of Education was called to order by Governor Brian Schweitzer.

ROLL CALL

Members present were: Regents Kerra Melvin, Lynn Morrison-Hamilton, Janine Pease, Lila Taylor, Clay Christian, Todd Buchanan, Steve Barrett and Board of Public Education members Patty Myers, Storrs Bishop, Angela McLean, Sharon Carroll, John Fuller, Katie Wood and Kirk Miller. Ex-officio members present were Governor Schweitzer, Superintendent McCulloch and Commissioner Stearns.

MINUTES

Patty Myers moved to approve the minutes as presented. Angela McLean seconded the motion. Governor Schweitzer called for discussion on the motion. Superintendent McCulloch responded that the minutes needed to be amended. She distributed proposed changes. The minutes were approved as amended.

PRESENTATION BY GOVERNOR SCHWEITZER

Governor Schweitzer recognized the work of the State Workforce Investment Board. He stated a great reason to invest in Montana education is to create a workforce second to none. The Governor thanked the Board members for their service to the state.

Governor Schweitzer provided a Power Point presentation on Montana's workforce. The percentage of unskilled laborers in the work force is decreasing as compared to statistics from 1950. The number of professional workers is about the same, but the number of skilled workers has increased dramatically. The homework assignments the Governor issued in 2001 were to increase graduation rates, establish dual credit/dual enrollment, make distance learning readily accessible, improve access and affordability for higher education and ensure transferability of credits in the higher education system.

Governor Schweitzer reviewed state funding for education over the past 25 years. Funding over the last four years has increased substantially with an increase of 26%. The increase was partially because of the court decision and state administrators and legislators agreeing that if Montana was to be globally competitive it needed a trained workforce.

Average college student debt is \$20,000, with an average beginning teacher salary of \$25,318. The state increased school funding by \$3,000 per educator. The legislature also enacted a law providing for up to \$12,000 student loan forgiveness for qualifying teachers. Montana loses many of our young teachers to other states that pay more and can offer signing bonuses.

In Higher Education, the baseline in 1993 was \$5,500 per resident student per year. With a shift in priorities, funding was decreased to less than \$4,500 per student. In 2005, Montana increased

its investment in higher education to the current figure of \$8,500 per student. Baseline funding is at \$144.7 million. Since 1991 the ability for Montana families to pay for college tuition has decreased about 100%. During the last legislative session through the college affordability plan 50 million new dollars were invested in higher education. Community colleges, tribal colleges and adult education have received increased funding.

Governor Schweitzer acknowledged that Superintendent McCulloch was the catalyst responsible for full time kindergarten funding. She demonstrated that the most important investment of the education dollar is in early education. The Superintendent advocated for putting more funding in the classroom and giving school boards resources to pay teachers adequately.

Legislative decisions in the sessions before 2005 resulted in a deficit in PERS, TRS, and MPORS retirement funds leaving them a billion dollars short. The 2005 legislature found \$175 million in one-time cash for the retirement systems. Montana has a statutory requirement to make the pension funds whole. With the changed contribution level, 25 years from now the pensions will be made whole.

Montana is facing a challenge in connection with population growth in the future. It is estimated that the population will grow 6.6% over the next ten years with more elders than babies.

Statistics also show the number of high school graduates will decline by 20% in next 10 years. We also expect traditional college students to decline by 19% during that time. Currently 50% of high school graduates go on to college, but less than one in five get a four-year degree in four years. Journalists often criticize college athletic programs, but statistics show that athletes are graduating at a better rate than college students at large.

Montana has a decreasing pool of workers entering the workforce. Montana has low unemployment and more jobs available. Job availability is increasing every month in the energy and biotech fields. There is a remarkable demand for clean and green domestic energy. Montana is entering one of greatest periods in the history of our state predicated on technology surrounding new green energy.

Montana needs a partnership between K-12, higher education, and industry. We need life skills training, apprenticeship programs, and an investment beyond two year programs. The economic development committee, through the WIRED grant, applied to use grant funds to retrain people in Montana in careers such as biodiesel.

Governor Schweitzer stated that he has challenged state agencies to reduce energy consumption by 20% by 2010. He is pushing agency directors to show they have studied consumption and have a plan. When looking for more dollars to invest in higher education, we need to decrease energy consumption. The Governor would like to see a competition between the different units in MUS to show decreased energy use. He encouraged representatives from higher education to get the campuses involved in a competition to reduce energy. K-12 energy consumption is growing as well. We need to identify a baseline and then get students involved. If schools can decrease energy consumption by 20% that will net more money for education.

Universities are starting to video stream all classes so anyone can participate. This will allow college students to stay engaged part time, even if they have to quit because of financial considerations.

Detroit said it would be 30 years before they could build an electric car. Venture capitalists built the TESLA which goes 250 miles on one charge. The battery is the same as you use in a laptop. This generation will be the most transformational generation in the history of the United States. The Y generation won't wait. We have a responsibility to give them all the tools they need to change the world.

GUEST SPEAKER

Governor Schweitzer introduced Keith Kelly, Commissioner of the Department of Labor and Industry. Commissioner Kelly stated while working on workforce development he had an opportunity to meet Martin Bean from Seattle, an internationally recognized expert. Mr. Bean is with Microsoft and part of the United States Energy Workforce Coalition. He is on the national board of Jobs for American Graduates.

Mr. Bean stated his job is to decide how Microsoft technology can be used around the world. The solution is through education. He is worried about the lack of attention to the crisis in innovation in America. Technology is the driver in education performance. In the 21st century global economy, fuel is the on-going debate. The world is more interconnected and competitive than ever. Growing economic interdependencies shift how economies and societies work. Technology is playing a role in how society is shifting and working. The accelerating pace of change will accelerate and level the playing field. To keep pace America needs to take advantage of these major shifts. The current challenge is the need for a highly educated and technologically proficient workforce to fuel the economy. We need to adequately educate our citizens for new types of work. Education in math and science is key to maintaining a competitive workforce in the global economy. Dollars spent in classrooms is the key to maintaining a competitive workforce. Students need entry level skills before getting to the university system.

Mr. Bean stated 25% of the population in China with the highest IQ is greater than the total population of North America. China will soon be the number one English speaking country in the world. They are preparing students for jobs that don't exist yet.

The only way to sustain Montana is to provide a skilled workforce to attract business. Lifetime employment has been replaced by lifetime employability. Job security has given way to career security. We need to seamlessly connect every element of our education system and get over historical stereotypes.

The United States has a workforce crisis. 90 % of employers report a moderate to severe shortage of skilled workers. An estimated 300,000 skilled IT jobs have gone unfilled over the last decade. Microsoft has 3,500 to 4,500 open positions in the United States.

Mr. Bean's conclusion is that education is everything. Workforce development must provide opportunities for workers to receive postsecondary education and training opportunities. We need to do a better job of helping people who have been out of education for a long time get new

training. The jobs of the future will need to be filled by knowledgeable workers with specialized skills and training.

There is a changing education landscape. More employers are recognizing online degrees. Two year colleges embrace nontraditional students at a higher rate. Nontraditional students have access to education in ways past generations didn't have the opportunity to get. Students are considering better cost alternatives and enrolling for more online courses or full degrees. They are juggling work and study, going where the business is, and demanding relevance and a better sense of progression.

Students of today have to be kept engaged. We are losing them because kids are coming in hyper-stimulated and aware. They have never known a world without Internet, IM, and digital capabilities. They want autonomy, authenticity, connecting, sharing, creativity, and individualized constant stimulation. We need to be successful in engaging young people or nontraditional students in a logical, systematic, safe way. We have to take the motivation they have in a digital life style to bring in education.

Regent Buchanan asked what other countries were doing.

Mr. Bean said the UK faces the same problems we do. In the "black coal area" they have programs building schools of the future, making schools the hub of the community, surrounding them with the support they need. They are opening schools up, getting parents more involved in schools. Within two years they want to have electronic grade cards in every home. They are getting parents more involved in education by getting digital capabilities in all homes.

Kirk Miller asked what the vision was for allocating human and fiscal resources in the UK. Mr. Bean replied that there was a significant resource shift. They moved resource brain ware away from debating to envisioning what is necessary for sustaining prosperity. In the UK it was the single biggest investment in public spending in history. There was a systemic rebuilding of every school with a vision of a very different education system.

Email can improve communication between students, parents and teachers. Parents can be actively involved in education in real time instead of waiting for parent-teacher conferences.

UPDATE ON HOMEWORK ASSIGNMENTS

Jan Lombardi introduced a panel discussion to spotlight the Governor's homework assignments.

Workforce Development

Michael O'Neill, Director of Organization Development and Labor Relations for NorthWestern Energy addressed the Board of Education a year ago and talked about his vision for solving the workforce issue in Montana with respect to the national and statewide shortage of linemen. Montana Tech recently graduated the first class of over 20 students in its pre-apprenticeship program. These individuals are now out in the workforce. This was a collaborative effort between the education community and industry. Together they determined they needed to establish a pre-apprenticeship program. The group opted to focus on getting students ready for

the work place. Industry needed workers to go directly to work. They decided to focus on a semester long program that would get individuals ready to go to work and get a jump start into full apprenticeship. The students then go through a four-year apprenticeship.

Jane Baker, Dean from the Butte College of Technology stated that it was an exciting project for Montana Tech. They had to think outside the box. One key thing was to tie the program to the university system for financial aid. Students go for one semester taking 40 hours a week and 29 credits. This met the criteria for students receiving financial aid. Other important factors for tying in with the university system is they already have recruiting systems in high schools, access to housing, meal plans and student support services.

Dan Flynn Assistant Business Manager for the International Brotherhood of Electrical Workers commented on the new program. The program was industry-driven with labor and management working together. Labor wanted to protect the apprenticeship program and, after determining this would be pre-apprenticeship, they were solidly behind it.

Governor Schweitzer commented that this was an excellent example of Montanans pulling together to solve a problem. A concern was identified and everyone pulled together to solve the problem.

Jan Lombardi introduced Annette Gordon, Director of the Center for Academic Success at Miles Community College. Ms. Gordon described innovative ways MCC is bridging the gap between K-12 and postsecondary education. The ABE program is an integrated program on campus in the academic development center. The advantage to GED students is they identify with college students. The result is they begin to see themselves in a new role and postsecondary education doesn't seem unreachable. MCC is participating as one of three pilot sites for a distance GED program. This is great news for rural students who have difficulty accessing GED services. They will start offering noncredit development courses at no cost (reading, writing, and math).

Jerry Lamb Economic Development Specialist for Indian Country of the Governor's Economic Development Office stated education is the cornerstone of economic development. Everything starts with education and as economies change, the education system needs to change and adapt. The Governor has worked closely with the Crow Tribe regarding energy. The Crow Tribe is rich in resources but cash poor. The education system needs to be a partner in training the Crow people and others for changing technologies. Tribal colleges have exposed Indian people to higher education. People are thinking about higher education and furthering their lives. Tribal colleges feed into the higher education system. An example is a recent course at UM to teach the Blackfoot language through video conferencing. This gives Indian people an opportunity to learn their language and keep it alive and provides others with a better understanding.

Dual Enrollment

Jan Lombardi introduced the next panel on dual enrollment.

Ron Sexton, Chancellor at MSU-Billings stated there was a long history on dual credit and a lot of different models. They have had questions from high school students anticipating going to college wondering, if they start taking college courses as a junior in high school, will that affect NCLA or financial aid eligibility. Students are thinking about how they can make better use of

their time and where they can fit these classes into their schedule. The group is making progress and will provide a written report next year.

Jack Copps, Superintendent of Billings Public Schools stated they are making progress in Billings. It is important for public schools and higher education to discover each other in a face-to-face experience. He stated there were students in the gifted and talented program in elementary school that had C averages in core subjects in high school. The students weren't being challenged. We need to provide the challenges. Dual credit is a challenge and opportunity for students who need it. We need to talk to students who are engaged in these classes.

Jeff Greenfield a 22-year science educator and President of the Billings Education Association stated we are all here for kids. What it takes in communities where we want this to happen is for everyone to be invited. Because of this effort we got everyone together and found solutions, not as much as we wanted, but we're still working on it. Everyone can win if we work together.

Virginia Sloan, Career Advisory Team Facilitator from Kalispell stated that they are responding to business needs and a workforce shortage. Their new high school has offered new opportunities. The school district invited the business community to provide input. The business community said students are not coming out of high school with skills relevant today. This forced everyone to sit down and really talk about what the needs were for industries facing workforce challenges.

Businesses are sending education leaders to national conferences. They developed a partnership to allow a better dialog for healthy delivery of education relevant to business. They are thinking differently about each area in the curriculum. Business has a great relationship with the school district providing a positive ongoing collaboration that will benefit both sides of the labor issue. Kalispell used to have high unemployment. Now it's 2%. A lot of people are coming from other countries to fill support jobs. We need to grow an educated workforce.

They now have Career Clusters in high schools with smaller learning environments and teach curriculum around a career path. They are trying to determine what it is going to take to be competitive in the 21st century and what demands there will be for a workforce.

Frank Gilmore, Chancellor at Montana Tech spoke regarding a plan for a Math and Science Academy at Tech. He stated it was a simple idea, but complex to implement. There are a limited number of students fully capable of leaving high school and taking a rigorous college curriculum. They would like to bring a limited number of the brightest students who have an interest in math and science and give them a two year head start. They need a partnership between higher education and K-12 public and private high schools to identify students who would fit the program. They don't want to take resources away from the high schools and want students to graduate from their home high schools.

Dick Clark, Chief Information Officer for the state of Montana presented information on Building a Technology Education and Research Network. Information technology is an asset. It is a cost of doing business but we have to look at it as an asset. If we want to become globally competitive a technology education and research network is the foundation. Other states are implementing statewide networks for education or they are building them. The reason is to provide quality education, maximize technology investments, increase educational collaboration

in the community, extend professional development opportunities, use scarce resources efficiently and increase access through distance learning.

Trends in other states are Education Network Boards established in law and chaired by the State CIO, Superintendent of Public Instruction or Commissioner of Higher Education, and include representatives from government, higher education, K-12 education, the private sector and citizens. Montana is on track and is positioned appropriately to leverage resources we have. Technology is an everyday necessity for Montana and an integral part of math and science at any level. We need a strategic plan for building a technology and research network to deliver 21st century capability for Kindergarten to College.

There is already a lot of activity in technology in Montana. A substantial investment has already been made by state government. The state is putting out a new RFP to deliver services through SummitNet. They are working to provide a super computer at Montana Tech. Money has been appropriated for small equipment purchases. Their goal is to link to the MUS and to high speed telecommunications networks nationwide.

The Governor's office will be out to seek commitment from key stakeholders to develop a statewide technology education and research network strategic plan. They want to build an information technology network worthy of the state of Montana.

OLD BUSINESS

Regent Janine Pease, member of the Kindergarten to College workgroup, gave a report on the groups' activities. They have had several meetings and have worked hard on data infrastructure, graduation rates from high schools and colleges and workforce development. They have shared strategic planning from their organizations and developed a shared agenda. It is important to have discussions about how we intend to put this workgroup to work for the advantage for our state.

PUBLIC COMMENT

Representative Norma Bixby said that while she hasn't been too happy with some of policies, after listening to Mr. Bean, she has come full circle in her thinking. We can no longer continue to educate children the way we have in the past. We have to look at new directions. There are kids who need to be educated a different way. We need to change the education system to work with the students we have today. The current system is not working for some kids. Teachers need to address problems right away. Kids need challenges. It is amazing what kids can do with technology. The American Indian achievement gap is a problem. There are challenges ahead to make sure that all children are successful at some level. Faculty teachers need to think of a different way of teaching individuals. They should come out being inspired. We can't keep passing kids through school without an education. She stated she was impressed with some of the innovative ideas.

Lynda Brannon on behalf Montana Indian Education Association invited the board to the MIEA conference in Missoula. She encouraged the board to consider adequate and sustained funding for Indian education and support for a tribal language revitalization program.

Patti Furniss from the Bitterroot Valley College commented that she was impressed with Martin Bean's presentation. She encouraged collaboration with education and industry. In their county there is a workforce shortage. We need to make education available to them.

Eric Feaver, Executive Director of MEA-MFT stated that they represent teachers in K-12 and higher education throughout Montana. They are dedicated to things that make Montana great. He indicated their willingness to work together and stated they would not block things that need to be done for our children.

In closing Governor Schweitzer stated that we should be proud of where we've gotten to. Not just the increase in funding, but that we, as leaders, have challenged the status quo. Teachers are eager to take on new challenges of the digital generation. Education is not just about seamless kindergarten to college but kindergarten to college and beyond.

If Montana is going to continue to have alternative energy we need to be prepared to change. We need to reeducate adults in Montana. We've made a lot of progress but aren't done yet. Before we go to the 2009 Legislature we have to be advocates to explain where the successes are point by point. We need to demonstrate we have made education more accessible, affordable, and relevant. We need to find ways to be more efficient. We can start with energy by doing what we can do today to decrease energy consumption. Our challenges as a rural state are great. Distance learning is so important to those students who are obtaining a college degree in Montana. We need to deliver education in a seamless way for everyone. We won't rest until we're competitive globally.

Regent Melvin moved to adjourn. The motion carried and the meeting was adjourned.

Respectfully submitted,

/s/ Linda McCulloch

Linda McCulloch, State Superintendent
Secretary to the Montana State Board of Education